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BY FOREIGN ALLIES**

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## CHAPTER 24

**BURDENSARING AND OVERSEAS RELOCATION CONTRIBUTIONS  
BY FOREIGN ALLIES**2401 INTRODUCTION

240101. Purpose. This chapter prescribes the overall policy and assigns responsibilities for the acceptance, receipt, use, and reporting of burdensharing and relocation monetary contributions to the Department of Defense (DoD) under Title 10, United States Code (U.S.C.), section 2350j and section 2350k.

2402 AUTHORITIES240201. Secretary of Defense

A. Title 10, United States Code, section 2350j authorizes the Secretary of Defense, after consultation with the Secretary of State, to accept burdensharing cash contributions from any country or regional organization designated for purposes of 10 U.S.C. 2350j(c). Contributions accepted under 10 U.S.C. 2350j(c) shall be available only for the payment of the following costs: (1) compensation for local national employees of the Department of Defense, (2) military construction projects of the Department of Defense, or (3) supplies and services of the Department of Defense. The Secretary of Defense, in consultation with the Secretary of State, may use accepted burdensharing contributions as specified in subparagraph 240601.A of this Regulation.

B. Title 10, United States Code, section 2350k, authorizes the Secretary of Defense to accept cash contributions from foreign nations because of, or in support of, relocation of elements of United States (U.S.) forces from or to any location within that country.

240202. Under Secretary of Defense (Comptroller) (USD(C))

A. The USD(C) serves as the single departmental point of contact with the Departments of State and the Treasury for all matters involving the acceptance, receipt, administration and distribution of contributions of funds from foreign countries and organizations for burdensharing and relocation contributions.

B. The Secretary of Defense has delegated to the USD(C) authority to submit reports on military construction projects under 10 U.S.C. 2350j and reports on contributions accepted and expended under sections 2350j and 2350k to the applicable congressional defense oversight committees.

2403 RESPONSIBILITIES

240301. Under Secretary of Defense for Policy (USD(P)). The USD(P) has policy and management responsibility for burdensharing agreements or arrangements. In addition, the USD(P) will work with the Defense Finance and Accounting Service – Trust Fund Accounting Office (DFAS-DAT) on burdensharing program requirements that impact DFAS responsibilities, as appropriate.

240302. Under Secretary of Defense (Comptroller). The USD(C) is responsible for coordination and approval of military construction projects that are subject to 10 U.S.C. 2350j. In addition, the USD(C) is responsible for reviewing and submitting to the Congress those reports required by 10 U.S.C. 2350j and 10 U.S.C. 2350k.

240303. Director of Defense Finance and Accounting Service (DFAS). The DFAS Director is responsible for recording and reporting the collection of receipts for burdensharing and relocation contributions and for the distribution of receipts, as prescribed by the USD(C), in support of burdensharing and overseas relocation programs. In addition, the DFAS Director shall support the USD(C) in the preparation of required reports and shall maintain a record of conversion rates used for reporting purposes.

240304. Commanders of the Combatant Commands (CINCs). The cognizant CINC is responsible for, but may delegate to subordinate commanders, the following responsibilities.

A. For burdensharing contributions for other than military construction projects, the cognizant CINC shall:

1. Notify the responsible DoD Component of anticipated contributions from foreign governments.

2. Deposit funds received with the DFAS Field Activity located within the immediate overseas operating area, or the finance support office (FSO) if no DFAS Field Activity is located within the immediate overseas operating areas.

3. Identify a proposed distribution of funds to the approving authority.

4. Prepare the necessary disbursing documentation for forwarding to the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

5. Submit reporting and control of funds information to the DFAS Accounting Services, Sustaining Force, Directorate for DFAS Corporate Operations, Defense Budget Execution Reporting Division, Defense Agency Branch-Indianapolis Site (DFAS-AHCBA/IS), 8899 East 56th Street, Indianapolis, IN 46249-2801. This information shall be submitted via the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

6. Submit information on the amount and purpose of each contribution to the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)), Office of the Deputy Comptroller (Program/Budget), Operations and Personnel Directorate, Room 3D868, 1100 Defense Pentagon, Washington, DC 20301-1100.

B. For military construction projects funded with burdensharing contributions, the cognizant CINC shall:

1. Initiate the military construction project proposals utilizing Defense Department (DD) Form 1391 ("Justification of Military Construction Projects.")

2. Submit, for approval, the justification material to the OUSD(C), Office of the Deputy Comptroller (Program/Budget), Military Construction Directorate, Room 3D841, 1100 Defense Pentagon, Washington, DC 20301-1100.

3. Deposit contributions with the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

4. Ensure that ODC(P/B) Military Construction Directorate approval has been received prior to disbursement of funds (see subparagraph 240304.C.4, below) via the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

5. Prepare necessary disbursing documentation for forwarding to the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

6. Submit information to the DFAS-AHCBA/IS, for reporting and control of funds purposes, via the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

C. For all overseas relocation contributions, the cognizant CINC shall:

1. Notify the DFAS Trust Fund Accounting office (DFAS-DAT) and the DFAS-AHCBA/IS that a contribution is expected.

2. Submit information on the amount and purpose of the contribution to the OUSD(C), Office of the Deputy Comptroller (Program/Budget), Operations and Personnel Directorate. Courtesy copies shall be provided to the Military Construction Directorate when contributions are made for construction projects.

3. Deposit the funds with the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

4. Notify the DFAS-DAT, via the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area, at least 1 business day in advance of disbursements so securities can be sold to finance the payment.

5. Prepare the necessary disbursing documentation, for forwarding to the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

6. Submit information to the DFAS-AHCBA/IS, for reporting and control of funds purposes, via the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

240305. Assistant Secretaries of the Military Departments (Financial Management and Comptroller) (FM&C)

A. The cognizant Assistant Secretary (FM&C) has responsibility to review and approve the distribution of funds received from foreign countries and regional organizations for the purposes outlined in this Regulation. These responsibilities may be delegated below the Assistant Secretary level.

B. The Assistant Secretary of the Army (FM&C) is responsible for Korea and Kuwait.

C. The Assistant Secretary of the Air Force (FM&C) is responsible for Japan.

D. Distribution of contributions received from other countries, not specified above, shall be the responsibility of the Assistant Secretary (FM&C) whose Service will use the greater portion of the contribution.

2404 MONETARY CONTRIBUTIONS

240401. Notifications

A. The DoD Components shall notify the DFAS-AHCBA/IS of all potential monetary contributions prior to acceptance of such contributions. All notifications shall indicate the applicable statute (i.e., 10 U.S.C. 2350j for burdensharing contributions or 10 U.S.C. 2350k for overseas relocation). Copies of all notifications shall be sent to the DFAS-AHCBA/IS via the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

B. Within 5 working days after notification of anticipated receipt of funds from a country without a designated account, the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area, shall submit a request for a new Treasury account for that country to the DFAS Director of Accounting (DFAS-DA), Room 417, 1931 Jefferson Davis Highway, Arlington, VA 22240-5291. The DFAS-DA shall submit the necessary documents to the Department of the Treasury to establish the new account and shall send a copy of the information to the DFAS/IN/A and the DFAS Field Activity located within the immediate overseas operating area, or the FSO if no DFAS Field Activity is located within the immediate overseas operating area.

240402. Contributions

A. General

1. Monetary contributions shall be accepted for specific purposes as identified in section 2405 of this chapter.

2. If none of the accounts identified in section 2405 of this chapter apply, then contributions shall be credited to a DoD disbursing officer's suspense account using a DD Form 1131 (Collection Voucher) for cash and check contributions. The DoD Component and/or DFAS Field Activity disbursing officer may request further guidance from the DFAS-AHCBA/IS.

B. Contributions in Cash

1. The receiving DoD Component and/or DFAS Field Activity located within the immediate overseas operating area shall credit all cash contributions to one or more of the applicable DoD accounts as identified in section 2405.

2. Documentation associated with cash contributions, including copies of the DD Form 1131 and the original of any correspondence from contributors, shall be forwarded by the receiving DFAS Field Activity located within the immediate overseas operating area (or DoD Component activity if no DFAS Field Activity is located within the immediate overseas operating area) within 24 hours of deposit to the DFAS-AHCBA/IS.

C. Contributions by Check

1. Checks received by DoD officials shall be made payable to the "United States Treasury." The reference line on the check shall identify the applicable burdensharing agreement or arrangement, or a copy of the agreement shall be attached.

2. Checks received by DoD officials shall be forwarded to the nearest DFAS Field Activity located within the immediate overseas operating area, or other DoD disbursing office if no DFAS Field Activity is located within the immediate overseas operating area, for processing within 24 hours of receipt. Such checks shall be credited to one or more of the applicable DoD accounts identified in section 2405.

3. Documentation associated with check contributions--including copies of checks, DD Forms 1131, deposit tickets and the original of any correspondence from contributors--shall be forwarded by the receiving DFAS Field Activity located within the immediate overseas operating area, or other DoD Component activity if no DFAS Field Activity is located within the immediate overseas operating area, within 24 hours of deposit to the DFAS-AHCBA/IS.

D. Contributions by Wire Transfer

1. Contributions by wire transfer are preferred since they eliminate delays in receiving deposits and should provide the most efficient preliminary accounting information for receipt distribution purposes. Wire transfers shall be credited to one or more of the applicable DoD accounts identified in section 2405.

2. Contributors may make contributions to the Department via electronic funds transfer from commercial banks to the Federal Reserve Bank of New York (as Fiscal Agent of the United States). The Federal Reserve Bank of New York accordingly shall credit the Department. Any exceptions shall be documented within the international agreements and coordinated with the USD(C).

3. Documentation associated with wire transfer contributions, including the original of any correspondence from contributors, shall be forwarded within 24 hours of the deposit to the DFAS-AHCBA/IS.

E. Contributions in Foreign Currencies (Cash or Check). When a DoD Component becomes aware of a planned, large contribution (\$1 million or more) to be made in a foreign currency, the cognizant DFAS Field Activity or DoD Component official shall:

1. Request that the contributor give as much advance notification as possible regarding the amount of the contribution and the estimated date that the contribution will be made.

2. Advise the DFAS-AHCBA/IS of any planned contributions and continue to keep that office advised of the status until the contribution is received.

3. Request that the contributor transfer the foreign currency credit to the Federal Reserve Bank of New York via the contributor's central bank. If the Federal Reserve Bank does not maintain a relationship with a particular central bank, the DoD Component or DFAS Field Activity located within the immediate overseas operating area shall seek guidance from the DFAS-AHCBA/IS for appropriate alternative arrangements, including the use of limited depository accounts.

4. Cash and checks received by DoD officials in countries not served by DoD disbursing officers shall be delivered to the nearest U.S. Embassy within 24 hours of receipt for credit in one or more of the applicable DoD accounts identified in section 2405. If none of the accounts identified in section 2405 applies, then all cash and checks shall be credited to an Embassy disbursing officer's suspense account. The Embassy disbursing officer or representative shall request further guidance from the DFAS-AHCBA/IS. Documentation associated with the contribution, including copies of deposit tickets and appropriate collection voucher, shall be forwarded within 24 hours to the DFAS-AHCBA/IS.

5. All contributions received in foreign currencies shall be converted to U.S. dollars at the time that the deposit is made at the prevailing exchange rate. Where international arrangements require the retention of the currency in limited depository accounts for local disbursement in that currency, the deposits shall be calculated and recorded (not converted) in terms of equivalent dollar value.

## 2405 ACCOUNTING

240501. Burdensharing. Burdensharing contributions shall be credited to one or more of the special fund accounts listed below which have been established in the U.S. Treasury for monetary contributions accepted by the Secretary of Defense or designee under 10 U.S.C. 2350j.

### A. Special Fund Receipt Accounts

97_5441.001	Burdensharing Contribution, Defense, Kuwait
97_5441.003	Burdensharing Contribution, Defense, Japan
97_5441.004	Burdensharing Contribution, Defense, South Korea
97_5441.005	Burdensharing Contribution, Defense, Qatar

### B. Special Fund Expenditure Account

97X5441	Expenditures (Only)
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240502. Overseas Relocation. Relocation contributions shall be credited to one or more of the following trust fund accounts which have been established in the U.S. Treasury for monetary contributions accepted by the Secretary of Defense or designee under 10 U.S.C. 2350k:



A. Trust Fund Receipt Accounts

- 97\_8337.001 Contributions from Kuwait, Host Nation Support for U.S. Relocation Activities
- 97\_8337.003 Contributions from Japan, Host Nation Support for U.S. Relocation Activities
- 97\_8337.004 Contributions from South Korea, Host Nation Support for U.S. Relocation Activities
- 97\_8337.005 Contributions from Qatar, Host Nation Support for U.S. Relocation Activities

B. Trust Fund Expenditure Account

- 97X8337 Expenditures (Only)

C. The DFAS disbursing office or FSO shall fax to the DFAS-AHCBA/IS and the DFAS-DAT copies of all deposit tickets for these investments. For tracking and computation of interest, contributions shall be tracked by country along with the earnings on each investment.

2406 AVAILABILITY OF CONTRIBUTIONS240601. Burdensharing Contributions

A. Burdensharing contributions shall be available only for the payment of the following costs:

1. Compensation for the Department's local national employees,
2. Supplies and services required by the Department, and
3. DoD military construction projects. In this regard, USD(C) written approval is required for the use of such contributions to carry out a military construction project that is consistent with the purposes for which the contributions were made and not otherwise authorized. Such approval also is conditional upon a 21-day notice to the Congress as described in subparagraphs 240601.D and 240601.E, below.

B. Burdensharing contributions normally shall be available only for the payment of costs in the country making the contribution. Local disbursement of burdensharing funds is authorized. "Out-of-country" expenditures shall be made only with the agreement of the contributing country and only for costs that are directly related to U.S. military activities in the contributing country.

C. If burdensharing contributions are to be used for personnel costs or supplies and services, prior approval of the cognizant Assistant Secretary (FM&C) or designee (such as the U.S. Forces Korea) is necessary before the expenditure of funds.

1. The organization receiving the funds shall submit the proposed distribution of the funds to the cognizant Assistant Secretary (FM&C) for approval.

2. The cognizant Assistant Secretary (FM&C) shall review the proposed distribution and, if approved, transmit the approved distribution to the DFAS-AHCBA/IS, as well as to the submitting field component.

3. The field component shall prepare the necessary documentation to effect the disbursement of funds.

D. If the Department decides to use burdensharing contributions for a military construction project, the cognizant CINC shall forward a coordinated project proposal for approval to the OUSD(C), Office of the Deputy Comptroller (Program/Budget), Military Construction Directorate, Room 3D841, 1100 Defense Pentagon, Washington, DC 20301-1100. Once the necessary coordination and approval process has been completed, the Military Construction Directorate shall submit a report to the congressional defense oversight committees. The following information shall be included in the proposal:

1. An explanation of the need for the project,
2. The estimated cost of the project, and
3. A justification for carrying out the project.

E. The Department may not commence a military construction project until the end of a 21-day period that begins on the date that the OUSD(C) submits the required report to the appropriate congressional defense oversight committees.

240602. Relocation Contributions

A. Relocation contributions are available only for costs incurred in connection with the relocation for which the contribution was made. Costs include:

1. Design and construction services
2. Transportation, packing, unpacking, handling and storage
3. Communications services
4. Supply and administration
5. Personnel costs (including TDY expenses and excluding salaries of permanently assigned military personnel)
6. Other expenses that are related directly to the relocation.

B. The organization receiving the relocation contribution shall submit information on the amount and the purpose of the contribution to the OUSD(C), Office of the Deputy Comptroller (Program/Budget), Operations and Personnel Directorate, Room 3D868, 1100 Defense Pentagon, Washington, DC 20301-1100. Courtesy copies shall be provided to the Military Construction Directorate when contributions are made for construction projects.

C. The organization receiving the contribution is responsible for preparing the necessary documentation for the disbursing transaction. The DFAS-AHCBA/IS and the DFAS-DAT, however, shall be notified at least 1 business day in advance of disbursement so securities can be sold to finance the payments. The date of each payment and the specific country's funds being utilized must be identified.

#### 2407 REPORTING REQUIREMENTS

240701. Not later than 10 days after the end of each fiscal year, the DoD Components shall report, to the DFAS-AHCBA/IS, the amount of and the purpose for expended contributions.

240702. Not later than 20 days after the end of each fiscal year, the DFAS-AHCBA/IS shall prepare and forward to the OUSD(C), Office of the Deputy Comptroller (Program/Budget), Operations and Personnel Directorate, a report for submission to the applicable defense oversight congressional committees. Those committees are: the Committees on Armed Services of the House of Representatives and the Senate, and the Committees on Appropriations of the House of Representatives and the Senate. The report shall include the following information for each country and regional organization from which contributions were accepted:

A. The amount of the contribution accepted during the preceding fiscal year under 10 U.S.C. 2350j and 10 U.S.C. 2350k, and the purposes for which the contributions were made, and

B. The amount of the contributions expended during the preceding fiscal year under 10 U.S.C. 2350j and 10 U.S.C. 2350k, and the purposes for which the contributions were expended.